

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6778**

**BILL NUMBER: HB 1735**

**DATE PREPARED:** Jan 9, 2001

**BILL AMENDED:**

**SUBJECT:** Tax deduction for federal retirement benefits.

**FISCAL ANALYST:** Brian Tabor

**PHONE NUMBER:** 233-9456

**FUNDS AFFECTED:**

**GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Provides an adjusted gross income tax deduction for the part of a federal government pension (including a military pension) equal to the difference between: (1) the maximum benefits payable under Social Security that could have been excluded from federal gross income for the year; minus (2) the Social Security benefits actually received by the taxpayer during the year. Provides that a taxpayer may not claim both this deduction and the existing military service deduction or federal civil service deduction.

**Effective Date:** January 1, 2002.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**